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For Immediate Release

FCC SETS COMPENSATION RATES FOR IP CAPTIONED TELEPHONE SERVICE FOR PEOPLE WITH HEARING LOSS

Commission Also Seeks Comments on Establishing Objective IP CTS Service Quality Standards

WASHINGTON, September 30, 2020—The FCC today took action to ensure that high-quality, functionally equivalent telephone captioning service is available through Internet Protocol Captioned Telephone Service (IP CTS) in the most efficient and cost-effective manner to individuals with disabilities. IP CTS is a form of telecommunications relay services (TRS) that allows individuals with hearing loss to both read captions and use their residual hearing to understand a telephone conversation.

The Commission today approved a Report and Order setting TRS Fund compensation rates for IP CTS at \$1.42 per minute for the remainder of Fund Year 2020-21 (December 1, 2020, through June 30, 2021) and \$1.30 per minute for Fund Year 2021-22 (July 1, 2021, through June 30, 2022). The rates, reduced from the current level of \$1.58 per minute, will bring TRS Fund expenditures for IP CTS into line with current average costs and are expected to save the TRS Fund approximately \$200 million through June 30, 2022.

A Further Notice of Proposed Rulemaking proposes more precise measurements of the quality of telephone captioning. The Commission seeks comment on establishing measurable standards for caption delay and accuracy—two key elements of effective telephone captioning. The FNPRM also seeks comment on the appropriate entity to conduct such assessments.

Today's compensation decision follows up on previous rate adjustments ordered by the Commission in June 2018, after it determined that TRS Fund payments to the companies providing IP CTS were greatly in excess of actual costs. The Commission also denied today a petition by Sprint to reconsider those earlier steps, which set interim compensation rates for TRS Fund Years 2018-19 and 2019-20. The interim rates have already saved the TRS Fund more than \$350 million.

The Commission has taken a step-down approach to the rate reductions to give service providers time to react. By applying a single rate to all IP CTS calls, regardless of the technology used, the Commission gives higher-cost providers opportunities to adjust to the changes by adopting more efficient technology.

IP CTS and TRS are supported through the FCC-administered Interstate TRS Fund. The FCC remains committed to the integrity of the TRS program, to guarding against waste, fraud, and abuse, and to ensuring that funds disbursed through the TRS program are used for appropriate purposes.

Action by the Commission September 30, 2020 by Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking (FCC 20-132). Chairman Pai, Commissioners O'Rielly and Carr approving. Commissioner Rosenworcel concurring. Commissioner Starks approving in part and concurring in part. Chairman Pai, Commissioners O'Rielly, Carr, Rosenworcel, and Starks issuing separate statements.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).